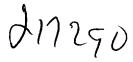
## ARNOLD & PORTER LLP

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August 9, 2006



Honorable Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, N.W. Room 700 Washington, D. C. 20423 ENTERED Office of Proceedings

AUG 15 2006

Part of Public Record



RE: Finance Docket No. 34905, Village of Croton-on-Hudson, New York v. Buffalo Southern Railroad, Inc.; Greentree Realty, LLC; RS Acquisition Co., LLC; and Northeast Interchange Railway, LLC

## Dear Secretary Williams:

Pursuant to 49 C.F.R. §1111.10(a), counsel for the Village of Croton-on-Hudson (the "Village"), Buffalo Southern Railroad, Inc. ("BSOR"), Greentree Realty, LLC ("Greentree"), RS Acquisition Co. LLC ("RSA"), and Northeast Interchange Railway, LLC ("NIR"), met on August 8, 2006 to discuss a discovery and procedural matters in the above-entitled proceeding, which was filed on June 30, 2006. The parties were unable to agree. This is the Village's report to the Surface Transportation Board (the "Board") and request for the imposition of the schedule proposed at the meeting (adjusted to commence on the date that the Board serves the schedule, thereby providing similar periods of time for each of the procedural steps) and set forth below.

Based upon commencing on August 8, 2006, the Village proposed the following schedule:

August 23, 2006 Responses and objections to discovery.

September 5, 2006 Motion to compel due.

September 15, 2006 Response to Motion to compel due. October 5, 2006 Board decision on Motion to Compel.

October 10, 2006 Discovery complete, except for depositions. Depositions to be

noticed.

November 10, 2006 Village to file opening evidence.

December 11, 2006 BSOR, Greentree, RSA and NIR to file reply evidence.

January 11, 2007 Village to file rebuttal evidence.

February 12, 2007 Simultaneous briefs to be filed by all parties.

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In response to the Village's proposed schedule, BSOR, Greentree, RSA, and NIR suggested that the parties await Board action on the Petition of Buffalo Southern Railroad, Inc. to Hold Proceedings in Abeyance and Motion for Protective Conditions Concerning Discovery (the "Abeyance Petition") that was filed on July 20, 2006. On August 4, 2006, the Village responded in opposition to the Abeyance Petition. The Village disagreed with holding discovery and the remainder of this proceeding in abeyance. The parties agreed to disagree and submit their separate reports to the Board on the meeting.

The Village respectfully requests the Board to adopt the schedule proposed by the Village, adjusted to commence on the date that the Board serves the schedule, thereby providing similar period of time for each of the procedural steps.

This report is being efiled. By my signature below, I certify that a copy of this letter has been served by first class mail postage pre-paid on all parties of record.

Sincerely

Michael B. Gerrard

cc: James E. Howard, Esq. John T. McManus, Esq. Nicholas R. Caputo, Esq. William A. Mullins, Esq. Louis E. Gitomer, Esq. Mary Gay Sprague, Esq.